

A RESOLUTION

SIDC-2003-06

AUTHORIZING RECEIPT OF A LOAN FROM THE CITY OF SAN ANTONIO IN AN AMOUNT UP TO \$1,300,000.00 TO COMPLETE THE ACQUISITION OF APPROXIMATELY 200 ACRES OF LAND PREVIOUSLY APPROVED BY ORDINANCE 97292 AND RESOLUTION SIDC-2003-04, AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE THE TERMS OF SUCH LOAN TO BE REPAID OUT OF BOND PROCEEDS UPON RECEIPT AND ANY DOCUMENTS FOR SUCH LOAN AND AUTHORIZING OTHER ACTIONS, AS NECESSARY.

WHEREAS, the City of San Antonio, Texas, Starbright Industrial Development Corporation (the "Corporation"), is an industrial development corporation pursuant to the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6, as amended (the "Act"), to aid and act on behalf of the City in commercial and industrial development; and

WHEREAS, the Board of Directors of the Corporation (the "Board") previously found that it is necessary and desirable to take steps to acquire approximately 200 acres ("the Property"), as generally described at **Attachment 1** to Resolution SIDC-2003-04; and

WHEREAS, the acquisition of the Property is necessary to fulfill the terms and conditions of the Economic Development Contract with the City of San Antonio; and

WHEREAS, the Board approved purchasing the land for an amount not to exceed \$1,300,000 plus additional closing costs in an amount not to exceed \$85,000 on the terms and conditions presented to the Board is reasonable and necessary; and

WHEREAS, the Corporation previously obtained a loan or advance from the City of San Antonio in an amount up to \$160,000 to assist in the acquisition pending receipt by the Corporation of proceeds of the sale of securities; and

WHEREAS, the Board finds it is in the best interest of the Corporation to obtain an additional loan or advance from the City of San Antonio in an amount up to \$1,300,000 to timely complete the acquisition of the land; and

WHEREAS, the City has declared its intention to reimburse itself for capital expenditures at the time the Corporation issues tax exempt or taxable obligations to finance the project;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF SAN ANTONIO, TEXAS, STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION:

SECTION 1. The authority of Executive Director and the Treasurer to acquire the Property, which consists of approximately 200 acres for an amount not to exceed \$1,300,000 plus closing costs in an amount not to exceed \$85,000, is reaffirmed. The Executive Director and the Treasurer, or their designees, are authorized to take necessary steps to implement this Resolution.


SECTION 2. The Executive Director and the Treasurer are authorized and directed to negotiate the final terms of the financial agreement with the City of San Antonio and to obtain up to an additional \$1,300,000 to be applied to the purchase price of the Property.

SECTION 3. This Resolution is also a declaration of the Corporation's official intent to reimburse the City from the proceeds derived from the sale of Obligations.

SECTION 4. The Corporation hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Corporation hereby incorporates such recitals as a part of this Resolution.

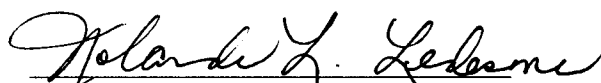
THIS RESOLUTION SHALL BECOME EFFECTIVE IMMEDIATELY UPON PASSAGE THEREOF.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE CITY OF SAN ANTONIO, TEXAS, STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION THIS 29TH DAY OF MAY, 2003.



PRESIDENT, BOARD OF DIRECTORS

ATTEST:


SECRETARY, BOARD OF DIRECTORS